

EXECUTIVE SUMMARY

PURPOSE

The purpose of this report is two-fold: (1) to analyze the results of the Job Training for the Homeless Demonstration Program (JTHDP) and (2) to draw out lessons learned from the demonstration that can help guide future efforts at providing comprehensive and cost-effective services to address the problem of homelessness in the United States. Particular emphasis is placed on the lessons learned with regard to providing employment and training services, though as is discussed throughout this report, a wide spectrum of other types of housing and support services are often needed to effectively help homeless individuals and families make the transition from homelessness to self-sufficiency. The report that follows is designed to address the following major questions:

- ! Who did JTHDP serve? (see Chapter 2)
- ! How did JTHDP grantees serve program participants? (see Chapter 3)
- ! What were the key program linkages? (see Chapter 3)
- ! What were the outcomes for participants and costs related to serving these participants? (see Chapter 4)
- ! How successful were JTHDP sites in “partnering” with the Job Training Partnership Act (JTPA) service delivery system? (see Chapter 5)
- ! Were JTHDP sites able to continue serving homeless individuals at the conclusion of the demonstration effort? (see Chapter 5)

BACKGROUND

The Job Training for the Homeless Demonstration Program was authorized under Section 731 of the McKinney Act (Public Law 100-77). Under this legislation, the U.S. Department of Labor (DOL) was authorized to plan, implement, and evaluate a job training demonstration program for homeless individuals. The resulting JTHDP, administered by DOL's Employment and Training Administration (ETA), represented the first comprehensive federal program specifically designed to provide employment and training services (and a wide range of other support services) for homeless individuals and to assist them in securing employment. The demonstration effort was launched in September 1988 with a series of grants to 32 locally-operated demonstration sites across the nation.

JTHDP was implemented over four phases, each somewhat distinct, building upon the experiences of the previous phase. Phase 1 was an “exploratory phase,” designed to test the feasibility the demonstration effort, help shape the direction of future phases of the demonstration, and develop a methodology for the evaluation. Phase 2 provided sites considerable flexibility in designing their service delivery strategies, selecting program participants, and determining which services participants received and how services were sequenced. Building on what had been learned during JTHDP’s initial phases, DOL/ETA announced a new initiative for JTHDP in November 1990. In accordance with a Memorandum of Understanding (MOU) negotiated between DOL and HUD, during Phase 3 sites were required to establish a comprehensive housing assistance strategy. With the demonstration effort drawing to a close, the fourth phase emphasized “partnering” of JTHDP sites with local JTPA programs, as well as the continuation of projects in their localities after the demonstration effort concluded. A major emphasis of the final phase was on broadening and enhancing effective delivery of services to the homeless by the current Job Training Partnership Act Title II-A service delivery system. Exhibit ES-1 provides an overview of funding, participation levels, and key program outcomes during each of JTHDP’s four phases. JTHDP continued over seven years, concluding in November 1995.

Findings and implications of this study are based on the following data sources: (1) summary quarterly outcome and financial reports submitted by JTHDP sites, (2) client-level data maintained by the sites, (3) local evaluation reports produced by the sites, (4) site visits, (5) telephone discussions and regular contacts with the sites, (6) information collected during three JTHDP grantee conferences, and (7) other resources, such as grantee applications to DOL/ETA.

PRINCIPAL STUDY FINDINGS

JTHDP experience expanded our knowledge of the feasibility of serving a wide spectrum of America's homeless population and the effectiveness of alternative strategies and delivery systems for serving homeless individuals. Below, we summarize key lessons learned from the demonstration concerning the design of employment and training programs that are most likely to assist homeless persons in securing and retaining jobs.

1. Employment and Training Programs Can Successfully Serve a Wide Spectrum of Homeless Individuals

JTHDP demonstrated that with the appropriate blend of assessment, case management, employment, training, housing, and support services, a substantial proportion of homeless individuals can secure and retain jobs, and improve their housing condition. Since JTHDP’s inception in 1988, of the over 45,000 homeless individuals served by demonstration sites, almost 35,000 received employment and training services, and about 16,500 obtained employment.

**EXHIBIT ES-1: OVERVIEW OF JTHDP IMPLEMENTATION EXPERIENCE
AND OUTCOMES, BY PHASE**

CHARACTERISTIC/ OUTCOME	PHASE 1	PHASE 2	PHASE 3	PHASE 4	TOTAL
START DATE - COMPLETION DATE	Sept. 1988 - Aug. 1989	Sept. 1989 - Apr. 1991	May 1991 - Aug. 1994	Sept. 1994 - Nov. 1995	Sept. 1988 - Nov. 1995
DURATION (MONTHS)	12	20	40	14	86
FUNDING LEVEL (IN \$ MILLIONS)	\$7.7	\$17.0	\$24.0	\$7.0	\$55.7
# OF PROJECT SITES	32	45	21	21	63
# OF JTHDP PARTICIPANTS	7,396	13,920	18,852	5,024	45,192
# OF PARTICIPANTS TRAINED	4,600	10,763	14,568	4,960	34,891
# OF PARTICIPANTS PLACED IN JOBS	2,435	4,690	7,169	2,170	16,464
% OF PARTICIPANTS PLACED IN JOBS	33%	34%	38%	43%	36%
% OF PLACED PARTICIPANTS EMPLOYED AT 13 WEEKS	40%	45%	58%	50%	50%

Notes: Phases were not equal in duration -- Phase 3 consisted of three grant or funding cycles; the other three phases involved one grant or funding cycle. There were a total of 63 sites because of multi-year funding of some projects. During Phase 2, 15 of 32 Phase 1 sites were re-funded. In Phase 3, 20 of the Phase 2 sites were re-funded (and the Tucson Indian Center was added in September 1991, bringing the total number of JTHDP sites for Phase 3 to 21). During Phase 4, all Phase 3 sites were re-funded. The percent of placed participants employed at 13 weeks is adjusted slightly because of missing data on placed participants for Phase 3.

Source: Quarterly Reports submitted to DOL/ETA by JTHDP sites.

Overall, 36 percent of JTHDP participants secured employment and half of those obtaining a job were employed 13 weeks after initial job placement.

As intended by Congress and DOL, program sites served a wide spectrum of the homeless population, including dislocated workers, displaced homemakers, families, individuals who had been homeless for long periods, physically disabled persons, mentally ill individuals, chemically dependent persons, and other subgroups facing barriers to employment. Demonstration sites were generally able to individualize service delivery strategies and provide a wide array of services, so that homeless individuals facing different obstacles to employment could secure jobs and upgrade their housing conditions. Program outcomes improved as sites gained experience working with homeless individuals and refined their service delivery strategies -- for example, job placement rates among JTHDP participants increased from 33 percent during Phase 1 to 43 percent by Phase 4, and job retention rates (among those placed in jobs) increased from 40 percent during Phase 1 to a high of 58 percent in Phase 3.

2. A Wide Variety of Public and Private Organizations Can Successfully Establish and Operate Employment and Training Programs for Homeless Persons

There are a wide variety of organizations -- both public and private -- at the state and local levels that can effectively design and operate employment and training programs to serve homeless populations. Under JTHDP, a total of 63 grantees -- including Job Training Partnership Act (JTPA) Service Delivery Areas (SDAs) or Private Industry Councils (PICs), mental health organizations, emergency shelters, agencies operated by city governments, community action agencies, and education agencies -- designed, developed, and implemented demonstration efforts serving a broad range of homeless individuals. Each JTHDP grantee built on their organizational capabilities and developed linkages with other human service agencies to provide employment, training, housing, and support services needed by the homeless individuals to obtain employment and upgrade their housing condition. Although there was substantial variation in the employment and housing outcomes across grantees, this appeared to have more to do with the populations served, local economic conditions, and the structure of individual programs rather than the type of organization administering the program.

3. Employment and Training Programs Serving Homeless Individuals Require Comprehensive Assessment and Ongoing Case Management

Analyses of participant-level data, as well as evidence from interviews with JTHDP staff, indicate most homeless individuals face multiple barriers to employment which are not always evident at the time of intake. For example, drug or alcohol problems, poor reading skills, a history of domestic abuse, and mental health issues are often not apparent at the time of intake. Hence, comprehensive and ongoing participant assessment to identify specific obstacles to

employment and tailoring services to meet the specific needs of each homeless individual are important to achieving positive results.

Closely related to comprehensive assessment is the need for ongoing case management. JTHDP experience suggests that case management -- typically under which a participant is assigned to and monitored by an agency case worker throughout program participation -- is a critical ingredient in tailoring services to specific needs of homeless participants. Ongoing case management enables agency staff to monitor the progress of each participant toward his/her goals and alter the mix of services to respond to changing circumstances or needs of the participant. A case manager can also help deal with problems as they arise, such as child care glitches, housing problems, interpersonal conflicts at work, substance abuse relapses, and transportation problems.

4. Employment and Training Programs for Homeless Persons Must Offer a Wide Array of Services (Including Housing Services), Often Requiring Coordination with Other Service Providers

JTHDP experience underscored the importance of providing a comprehensive range of services to address the varied problems faced by homeless persons. Homeless individuals face different barriers to overcoming homelessness (e.g., basic skills deficiencies, lack of job-specific skills, substance abuse, lack of day care, or lack of transportation). Barriers need to be addressed before individuals are likely to retain long-term employment. Demonstration program experience suggests that at a minimum -- either through the sponsoring agency or coordination with other local service providers -- the following core services must be made available to serve the full array of homeless individuals responsively and effectively:

- ! outreach and intake;
- ! case management and counseling;
- ! assessment and employability development planning;
- ! alcohol and other substance abuse assessment and counseling, with referral as appropriate to outpatient and/or inpatient treatment;
- ! other supportive services (e.g., child care, transportation, mental health assessment/counseling/referral to treatment, other health care services, motivational skills training, and life skills training);
- ! job training services, including: (a) remedial education and basic skills/literacy instruction, (b) job search assistance and job preparatory training, (c) job counseling, (d) vocational and occupational skills training, (e) work experience, and (f) on-the-job training;

- ! job development and placement services;
- ! postplacement follow-up and support services (e.g., additional job placement services, training after placement, self-help support groups, and mentoring); and
- ! housing services (e.g., emergency housing assistance, assessment of housing needs, referrals to appropriate housing alternatives, and development of strategies to address gaps in the supply of housing for participants).

The need for a wide array of services points to the need for strong linkages and coordination arrangements among local service providers. Careful planning of service delivery strategies is needed, including an inventory of services available at the local level and an assessment of how such services might be relevant to the needs of homeless individuals. JTHDP grantees were able to provide a comprehensive continuum of services for their participants, and to leverage funding for providing additional services for participants through extensive use of coordination. Linkages also enabled JTHDP grantees to refer individuals they could not serve effectively to other agencies (e.g., for literacy or English as a Second Language instruction, mental health counseling or services, drug or alcohol rehabilitation, and vocational rehabilitation).

5. Work Readiness Training and Job Search Assistance Are Important Ingredients for Successful Job Placement and Retention

Many homeless participants (as well as other disadvantaged individuals) need some work maturity/job readiness training before they can successfully compete for jobs and/or retain jobs. JTHDP sites found that participants losing or quitting jobs often did so, not as a result of a lack of job-specific skills, but rather because of work maturity issues such as being late for work, inability to deal with child care or transportation-related problems, or conflicts with supervisors or co-workers. Work readiness training provides instruction in skills needed to function on a day-to-day basis within the workplace: how to dress appropriately for work, how to listen and communicate on the job, the importance of arriving to work on time, how to get along with co-workers and supervisors and resolve conflicts, money management, and problem-solving skills. Demonstration sites often provided instruction on work readiness skills in three- to five-day workshops shortly after participants were enrolled in JTHDP.

Even though some homeless individuals lack the education and occupational training/experience to qualify for higher paying jobs, their urgent need for income and housing often means they have little interest in (or ability to attend) longer-term occupational training. This was particularly the case among many non-disabled males, who were not eligible for AFDC or SSI, and generally could not access public housing assistance programs. Job search assistance can equip these individuals with the skills needed to secure employment. Once these individuals have secured employment and stabilized their housing situation, they may be amenable to

attending longer-term basic skills or occupational skills training as long as there is no conflict with their work schedule.

Job search assistance should be structured so that participants interested in obtaining immediate employment can move from intake through assessment, a job search workshop, and job search/job development within a two- to three-week period. This assistance should emphasize assisting participants to find a job, and also emphasize teaching the necessary job search skills so should participants need to search for another job, they are prepared to do so on their own (e.g., using labor market information, writing effective resumes, effective job search strategies, and interviewing techniques). Such direct employment strategies should be supplemented by an array of housing and support services tailored to meet specific needs of participants. In addition, information and referral services on educational and occupational training opportunities should be made available, so that interested participants can upgrade their general and job-specific skills once they have stabilized their employment and housing situations.

6. Careful Screening is Essential to Identify Those Homeless Individuals Most Likely to Benefit from Occupational Skills Training

Homeless-serving agencies can provide a reservoir of appropriate and well-screened homeless individuals for occupational skills training programs, such as JTPA. Some of the agencies with which employment and training programs can link to recruit increased numbers of homeless individuals include: shelters and transitional housing programs, community action agencies, public assistance agencies, halfway houses for individuals in recovery or for ex-offenders, and domestic violence programs.

In general, because of their precarious housing and financial circumstances, many homeless individuals have a strong preference for securing a job before obtaining basic or occupational skills training. Some important considerations before enrolling homeless individuals into longer-term occupational skills training include the following: (1) *extent of personal motivation*, e.g., JTHDP grantees found that it was useful to observe an individual (particularly within structured program activities) over at least several weeks to determine the person's basic motivation and interest in upgrading his or her skills, (2) *housing status*, e.g., JTHDP grantees found that homeless individuals in housing situations that allow for an extended stay were generally more likely to complete training than those living in emergency shelters; (3) *involvement with drugs and alcohol*, e.g., JTHDP grantees found that a serious substance abuse problem was a barrier to completing training and obtaining employment; (4) *means of financial support*, e.g., JTHDP grantees found that those individuals without a means of financial support (e.g., a full- or part-time job, a Pell Grant, or public assistance) were generally less able to participate in long-term training.

JTHDP sites most successful in assisting homeless participants to enter occupational

skills training attributed their success to the following:

- ! Tailoring occupational skills training to the interests and needs of individual participants, as well as the local demands of the labor market. These strategies included: (1) assisting those clients seeking part-time employment to do so in conjunction with a skills training program; (2) having available open-entry training programs; (3) offering training courses in the day as well as evening; and (4) offering "compressed" training options, i.e., courses offered for more hours over a shorter period of time.
- ! Developing linkages with a wide variety of education and training providers, especially those providing short-term and open-ended training.
- ! Securing agreements with shelter and housing providers to extend housing stays or give priority to those enrolled in training.
- ! Making sure homeless participants have all the necessary supports in place prior to entering and throughout training. Many sites stressed the importance of providing case management to troubleshoot problems that participants may face while in training.

7. Housing Assistance and Long-Term Follow-Up and Support Are Needed to Assist Homeless Persons to Retain Employment

For most homeless individuals (and many disadvantaged individuals), their problems do not suddenly disappear upon entering the workplace or securing permanent housing. Hence, even after job placement, many homeless individuals still need support services and an objective and informed person to guide them. By providing follow-up services and ongoing case management (for six months or even longer after a participant has secured a job), agencies can help to troubleshoot problems (before they become bigger problems) and reduce the risks of participants returning to homelessness. An added benefit is that agencies are better able to track the long-term success of their services and adjust service delivery strategies accordingly. JTHDP sites found that successful employment outcomes (i.e., finding and retaining jobs) were often associated with availability of housing assistance and long-term support services.

8. Average Training and Placement Costs for Employment and Training Programs for Homeless Individuals Are Likely to Vary Substantially Across Sites Depending Upon the Types of Participants Served and Types of Training Provided

The average cost of training per JTHDP participant in federal grant funds was \$1,485,

and the average cost per placement was \$3,185. These costs were based on the annual JTHDP grant dollars expended by each site divided by the number of participants trained/placed by each site. Costs of services provided through linkages with other organizations and from grantee matching funds were not included. There was substantial variation across sites in both per participant training and placement costs. For example, among the sites participating in Phases 2 through 4, average training costs per participant ranged from under \$1,000 at four sites to over \$3,000 in four sites. A number of factors contributed to substantial cross-site differences, including: differences in participant characteristics, differences in the number of participants to spread fixed costs across (i.e., economies of scale), the ability of sites to leverage funds for services through other service delivery providers, and differences in the types, amounts, and intensity of training services provided. As expected, the service delivery models used by sites had particular impact on average training and placement costs: sites providing primarily job search/placement assistance for most of their participants had substantially lower training costs per participant trained than sites that provided longer-term occupational skills training.

9. Although the Majority of Phase 4 JTHDP Sites Continued To Provide Employment and Training Services To Homeless Individuals After the Termination of Their JTHDP Funding, Most Reduced the Number of Individuals Served or the Types of Services Provided

Nearly two-thirds (13 of the 21) of the Phase 4 grantees continued providing employment and training services to homeless individuals after JTHDP funding was discontinued. The services and the number of individuals these grantees anticipated serving in the absence of JTHDP funding varied. A few were able to secure funds in excess of their JTHDP grant or develop additional linkages which enabled them to expand locations, offer additional services, or serve more homeless individuals. The majority, though, reported being unable to maintain their JTHDP level of services. Some grantees indicated they no longer had funds for the support services essential for homeless individuals' success in employment and training activities or had to target their services more specifically to certain populations. The eight JTHDP grantees no longer delivering employment and training services to homeless individuals cited lack of funding as the primary reason. Despite discontinuing specific initiatives to provide employment and training for homeless individuals, grantees indicated that the lessons learned and the linkages they had created with other homeless-serving agencies would have a long-lasting effect on their service delivery systems.

10. The JTPA Title II-A (Adult) Program Has Shown That Outcomes for Participants Identified as Homeless Are Comparable to Other Participants in the Program

During PY 1994, a total of 5,569 JTPA Title II-A terminees were identified as homeless, which represented 2.4 percent of all Title II-A terminees and a small share of the nation's

homeless population. Program outcomes for homeless individuals served by JTPA in PY 1994 were similar to those for non-homeless individuals:

- ! homeless terminees had a 54 percent entered employment rate compared to 62 percent for non-homeless terminees;
- ! average hourly wage at placement for homeless terminees was \$7.13 compared to \$7.05 for non-homeless terminees; and
- ! homeless terminees recorded a 59 percent job retention rate compared to 64 percent for non-homeless terminees.

During Phase 4, JTHDP sites demonstrated the feasibility of JTPA SDAs “partnering” with homeless-serving programs to increase the flow of homeless individuals served by JTPA. JTHDP grantees that successfully referred and enrolled a high percentage of participants in JTPA cited three major factors for their success: (1) frequent and on-going communication between the two programs, (2) available resources to stabilize the homeless individual’s situation (e.g., transitional housing and transportation assistance), and (3) proper screening of homeless individuals referred to JTPA.

CONCLUSIONS AND IMPLICATIONS

JTHDP has provided a wealth of information on strategies for serving homeless individuals (as well as other disadvantaged populations) and has suggested ways in which to structure a national employment and training policy to help America's homeless population. Based on this analysis, several implications are offered.

1. Implication #1: JTHDP Can Serve as an Effective Model for Assisting Homeless Individuals in Securing Employment and Upgrading Their Housing

Within urban areas and localities with significant numbers of homeless individuals, case managed employment and training initiatives, such as those developed under JTHDP, could be effective both in coordinating local services for homeless individuals and ensuring the availability of a wide range of services to assist these individuals in securing employment and overcoming their homeless situation. While JTHDP program sites were funded through U.S. Department of Labor grants, similar programs could be funded through grants provided by the U.S. Department of Housing and Urban Development (HUD), state and local governments, and private foundations. With the help of well-developed linkages, local programs similar to those operated under JTHDP could be initiated and operated at a cost of less than \$500,000 per year -- for example, during JTHDP’s final phase, grant awards to eight of the 21 JTHDP sites were for

amounts less than \$250,000 (with the average site receiving slightly over \$400,000). While focusing on employment and training services, such initiatives should strive to provide the continuum of services (through direct services and referral) provided by JTHDP grantees.¹

2. Implication #2: Increase Coordination Between DOL and HUD and Their Counterparts at the State and Local Levels

The problem of homelessness within a locality can be most effectively addressed through the development of housing and employment opportunities. Individuals in supported housing are more likely to become self-sufficient if they are given the opportunity to develop the skills needed to obtain and retain employment. Homeless individuals in employment and training programs are more likely to complete training and obtain and retain employment if they are living in stable housing. This points to the need for close cooperation between agencies providing housing assistance and those providing employment and training services. Local housing authorities and other providers of low-cost housing and assistance need to be strongly encouraged to include employment and training activities when designing programs, as is now emphasized in HUD's "Continuum of Care" model. They also need to be encouraged to serve/give priority to homeless persons enrolled in employment and training programs, particularly single males who often find it difficult to secure subsidized housing units. At the federal level, as they did in forging the DOL/HUD Memorandum of Understanding for the JTHDP program, there is a need for DOL and HUD to continue to work closely with one another to ensure that homeless individuals and families have available a continuum of employment, training, housing, and support services needed to achieve long-term self-sufficiency.

3. Implication #3: There Are a Number of Strategies Available to JTPA SDAs/PICs to Expand the Number of Homeless Individuals Served and to Enhance Service Delivery to Homeless Individuals

The Job Training Amendments of 1992 (Public Law 102-367), which went into effect July 1, 1993 (at the beginning of Program Year 1993), provided encouragement for JTPA SDAs/PICs to focus available Title II-A and Title II-C funds on serving more disadvantaged populations by requiring that at least 65 percent of individuals served under these programs fall into one of seven "hard-to-serve" categories. One of these "hard-to-serve" groups was homeless individuals. There are a number of steps that SDAs/PICs could undertake to expand the number of homeless individuals served by their programs and to more effectively target services on the needs of homeless individuals:

¹A companion document to this report, *Employment and Training for America's Homeless: Best Practices Guide*, provides specific instructions for designing and implementing a comprehensive and effective employment and training program for homeless individuals (as well as other disadvantaged populations).

- ! **Expand outreach and recruitment practices to include linkages with homeless-serving agencies** (e.g., emergency shelters, transitional housing) so that staff and participants of those agencies are familiar with the services JTPA has to offer and the procedures for obtaining those services. Homeless-serving agencies can effectively recruit and screen homeless individuals for JTPA if provided with a set of guidelines for determining suitability of individuals for JTPA. For example, the demonstration experience suggested that homeless individuals in stable housing -- such as transitional housing or emergency shelters extending stays for individuals enrolled in an employment and training program -- are more likely to complete training and obtain and retain employment. In addition, experience suggests that homeless individuals with active substance abuse problems and chronic serious mental health problems are not likely to be successful in employment and training programs.
 - ! **Expand coordination arrangements** with homeless-serving agencies and other human service agencies to ensure that homeless participants have access to a wide range of support services, including chemical dependency counseling, health services, and transportation assistance.
 - ! **Seek state incentive grant set-asides** to enhance the SDA's ability to meet the various needs of homeless people, particularly housing-related needs. These set-asides are a source of funding to enable SDAs to provide housing and other support services.
 - ! **Provide additional training to agency staff and service providers** on the needs of homeless people, the variety of referral agencies locally available to meet those needs, and the best practices for serving homeless participants as identified through JTHDP evaluation findings and program experience. They should also consider joint training with agencies whose primary mission is serving homeless individuals. Many of these homeless-serving agencies have needed resource information available and could assist in the preparation and delivery of presentations.
- 4. Implication #4: Further Educate Local Homeless Serving Agencies and Other Community-Based Organizations About the Importance of Enhancing Skills and Employability Among Their Homeless Clients**

Just as is the case with HUD-sponsored programs, local social service programs serving homeless clients need to be further educated about the importance of employment and training services in assisting their clients in their efforts to achieve self-sufficiency. Emergency shelter and transitional housing programs, soup kitchens, and domestic violence programs often focus on stabilizing the individual and, when possible, assisting them in securing employment. HUD and

DOL's emphases on a "continuum of care" when serving homeless individuals and providing funding for local initiatives which feature coordination are important steps in encouraging local service providers to emphasize building job skills, addressing basic skills deficiencies, and enhancing overall employability of homeless individuals. Other methods for promoting the importance of employment and training activities include presentations at conferences of homeless serving agencies and other community-based organizations and providing training, technical assistance, and dissemination of training materials illustrating the importance of employment and training services as an essential ingredient for helping individuals to achieve self-sufficiency.